Foreign assistance for modernisation of Steel Plants

1764. SHRI P. N. SUKUL: Will the Minister of STEEL AND MINES be pleased to state:

(a) the names of the foreign Government with the collaboration of which the steel plants at Bhilai, Durgapur, Rourkela and Bokaro were set up.

(b) whether these Governments or financing agencies under them are providing or propose to provide financial assistance in the programmes being launched for modernization of the above steel plants; and

(c) if so, details of the same?

THE MINISTER OF STEEL AND MINES (SHRI MAKHAN LAL FOTEDAR): (a) While Bhilai and Bokaro Steel Plants were set up with the collaboration of Soviet Union, Durgapur and Rourkela Steel Plants were set up with British and West German collaboration respectively.

(b) and (c) Offers of financial aid/Grants/credits have been received from countries like United Kingdom, Federal Republic of Germany, Switzerland and Japan in support of bids by firms from these countries for different packages for which tenders were invited by Steel Authority of India Limited in connection with the modernisation of Durgapur Steel Plant. These offers will be taken into consideration at the time of the final evaluation of bids received.

There are favourable indications that foreign exchange portion of modernisation plan of Rourkela Steel Plant may be funded from the West German sources. However, the exact amounts/terms and conditions of the aid/grant/credit etc. have not yet been finalised.

For the proposed modernisation of Bokaro Steel Plant, aid from the Soviet Union to meet the rouble component has been offered under the 1200 million rouble Soviet Credit Agreement of 1986. The details of this offer will be finalised only after the preparation of the Detailed Project Report.

There is at present no plan to modernise Bhilai Steel Plant.

Utilization of FEDO's expertise in fertilizer Plants

1765. SHRI RAOOF VALIULLAH: Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that Fact Engineering and Design Organisation (FEDO) has not been associated with new fertilizer plants set up recently;

(b) whether the performance of FEDO had been good in the setting up of Nazira Project of KRIBHCO, if so, what are the reasons that FEDO's expertise are not being effectively utilised; and

(c) what are the various schemes proposed by FACT and whether Government propose to extend all necessary help and allocate funds for better working of the company?

THE MINISTER OF STATE IN THE DEPARTMENT OF FERTILIZERS IN THE MINISTRY OF AGRICULTURE (SHRI R. PRABHU): (a) No, Sir. Fact Engineering and Design Organisation (FEDO) is being associated with the various chemical and fertiliser projects being set up in India by Pyrites, Phosphates & Chemicals Limited, Paradeep Phosphates Limited etc.

(b) Yes, Sir.

FEDO's experience will be utilised suitably in the various future plants that may be set up in the Seventh and Eighth Plan period.

(c) FACT has a proposal for the replacement of the existing old Ammonia Plants for which first stage clearance for preparing the Detailed Project Report has already been given by the Government. As regards other schemes involving a project cost of less than Rs. 20 crores, the Board of Directors of the Company is competent to take investment decisions subject to the condition that the schemes are including in the Annual plan/Five Year Plan. However, Government have always extended all possible assistance for implementing the approved schemes within the approved outlays.